

COTTON- Conventional Tillage, Non-Irrigated
2010 ESTIMATED PER ACRE COSTS AND RETURNS, SOUTH AND EAST GEORGIA

| | | | |
|---|----------------------------------|-----------------------|---------------|
| Seed Technology: | B2 or W --- R or RF or LL | Row Spacing: | 36 |
| Tillage: | Conventional | Seed Per Foot: | 2.50 |
| Production: | Non-Irrigated | Seed Per Bag:* | 233333 |
| *Average of all Varieties and Technologies | | | |

| | | Lbs/Acre | Price/Lb | Income/Ac | Cents/Lb |
|--|----------------|------------------|-------------------|------------------|-----------------|
| INCOME (Planning Price including LDP) | | 700 | 0.67 | \$469.00 | 67.00 |
| VARIABLE COST* | Unit | No. Units | Price/Unit | Cost/Acre | Cents/Lb |
| Land Rent | Acre | 1 | 0.00 | 0.00 | 0.00 |
| Crop Insurance | Acre | 1 | 18.00 | 18.00 | 2.57 |
| BWEP | Acre | 1 | 1.00 | 1.00 | 0.14 |
| Seed (Including Tech Fees and Treatments) | | | | | |
| Seeds Per Acre | Baq | 0.156 | 500.00 | 77.79 | 11.11 |
| Lime- Custom Spread | Ton | 0.33 | 32.50 | 10.73 | 1.53 |
| Fertilizers | | | | | |
| Nitrogen | Lbs | 70 | 0.45 | 31.50 | 4.50 |
| Phosphate (P2O5) | Lbs | 50 | 0.25 | 12.50 | 1.79 |
| Potash (K2O) | Lbs | 50 | 0.50 | 25.00 | 3.57 |
| Chicken Litter- Custom Spread | Tons | 0 | 35.00 | 0.00 | 0.00 |
| Boron | Lbs | 0.5 | 5.40 | 2.70 | 0.39 |
| Others | Acre | 1 | 0.00 | 0.00 | 0.00 |
| Weed Control** | | | | | |
| Pre-Plant Broadcast or PPI | Acre | 1 | 6.88 | 6.88 | 0.98 |
| At Planting or Pre-Emergence | Acre | 1 | 12.63 | 12.63 | 1.80 |
| Post-Emergence OTT | Acre | 1 | 14.45 | 14.45 | 2.06 |
| Post-Emergence Directed or Hood | Acre | 1 | 12.59 | 12.59 | 1.80 |
| Hand Weeding | Acre | 1 | 0.00 | 0.00 | 0.00 |
| Insect Control | | | | | |
| In-Furrow | Lbs | 3.5 | 3.00 | 10.50 | 1.50 |
| Spray- Worms | Appl | 0 | 0.00 | 0.00 | 0.00 |
| Spray- Stink Bugs, Other Pests | Appl | 2 | 4.45 | 8.90 | 1.27 |
| Scouting | Acre | 1 | 10.00 | 10.00 | 1.43 |
| Nematicide | Acre | 1 | 0.00 | 0.00 | 0.00 |
| PGR | Ounces | 8 | 0.110 | 0.88 | 0.13 |
| Boll Opener and Defoliant | Acre | 1 | 11.77 | 11.77 | 1.68 |
| Custom Applications | | | | | |
| Insecticides | Appl | 0 | 0.00 | 0.00 | 0.00 |
| Herbicides | Appl | 0 | 0.00 | 0.00 | 0.00 |
| PGR | Appl | 0 | 0.00 | 0.00 | 0.00 |
| Defoliation | Appl | 0 | 0.00 | 0.00 | 0.00 |
| Machinery and Equipment | | | | | |
| Fuel and Lube | Gal | 12.25 | 2.50 | 30.62 | 4.37 |
| Repairs and Maintenance | Acre | 1 | 21.58 | 21.58 | 3.08 |
| Labor | LT/MT | 1.65 | | | |
| Labor | Hrs | 2.18 | 11.00 | 23.93 | 3.42 |
| Custom Picking | Acre | 1 | 0.00 | 0.00 | 0.00 |
| Interest on Operating | Months | 6 | \$343.94 | 0.50 | 7.25% |
| Interest on Operating | | | | 12.47 | 1.78 |
| Ginning and Warehousing | | | | | |
| Ginning | Lbs | 700 | 0.080 | 56.00 | 8.00 |
| Storage and Warehousing | Bale | 1.4 | 10.50 | 14.70 | 2.10 |
| Promotions, Boards, Classing | Bale | 1.4 | 5.77 | 8.08 | 1.15 |
| Cottonseed | % Gin T/O | 39.0 | | | |
| Cottonseed | Ton | 0.46 | 120.00 | -54.92 | -7.85 |
| TOTAL VARIABLE COSTS | | | | \$380.26 | 54.32 |
| NET RETURN ABOVE VARIABLE COST | | | | \$88.74 | 12.68 |
| Tractors and Sprayer | Acre | 1 | 35.19 | 35.19 | 5.03 |
| Equipment/Implements | Acre | 1 | 16.06 | 16.06 | 2.29 |
| Picker/BB/MB | Acre | 1 | 53.09 | 53.09 | 7.58 |
| Owned Land Charge | Acre | 1 | 0.00 | 0.00 | 0.00 |
| Misc Overhead | % of Var Costs | | \$380.26 | 5.0% | 19.01 |
| Management | % of Var Costs | | \$380.26 | 5.0% | 19.01 |
| TOTAL FIXED COSTS | | | | \$142.36 | 20.34 |
| TOTAL COST | | | | \$522.62 | 74.66 |
| NET RETURN | | | | -\$53.62 | -7.66 |

*Fertilizer and fuel prices as of November-December 2009. All costs subject to change.

**Herbicide programs highly variable. Cost assumes managing Palmer Amaranth glyphosate resistance. Hand weeding may be needed.

PER ACRE NET RETURN* ABOVE VARIABLE COST AT VARIOUS PRICES, YIELD, and RENT

| | 0.62 | | | 0.67 | | | 0.72 | | |
|-----------|--------|-------|-------|--------|-------|--------|-------|--------|--------|
| | 600 | 700 | 800 | 600 | 700 | 800 | 600 | 700 | 800 |
| 35 | -20.85 | 37.74 | 96.33 | 9.15 | 72.74 | 136.33 | 39.15 | 107.74 | 176.33 |
| 45 | -30.85 | 27.74 | 86.33 | -0.85 | 62.74 | 126.33 | 29.15 | 97.74 | 166.33 |
| 55 | -40.85 | 17.74 | 76.33 | -10.85 | 52.74 | 116.33 | 19.15 | 87.74 | 156.33 |
| 65 | -50.85 | 7.74 | 66.33 | -20.85 | 42.74 | 106.33 | 9.15 | 77.74 | 146.33 |
| 75 | -60.85 | -2.26 | 56.33 | -30.85 | 32.74 | 96.33 | -0.85 | 67.74 | 136.33 |

* Net return excludes DCP on Payment Acres. Price should include POP/LDP if applicable. If applicable, cash price plus POP/LDP or Loan plus Gain or merchant Equity should be a minimum of 55 to 60 cents per lb. Any price used less than this will underestimate net returns.

| Acres of This Crop | | 850 | | | | | | | | | | |
|-----------------------------|----------------------|----------|--------------|-------|---------------------------------|---------|--------|---------|-------------------------|--------------|--------------|--------------|
| New Price | Fixed Costs Per Year | | | | Fixed Costs Share For This Crop | | | | Repairs and Maintenance | | | |
| | % FC | Total FC | Hrs Use | FC/Hr | % Use | Hrs Use | Hrs/Ac | FC/Acre | Est RM | This Crop | Per Acre | |
| Tractors | | | | | | | | | | | | |
| 200 HP | 140000 | 12.0 | 16800 | 400 | 42.00 | 50 | 200 | 0.24 | 9.88 | 3500 | 1750 | 2.06 |
| 165 HP | 119000 | 12.0 | 14280 | 600 | 23.80 | 70 | 420 | 0.49 | 11.76 | 3000 | 2100 | 2.47 |
| 100 HP | 67000 | 12.0 | 8040 | 500 | 16.08 | 30 | 150 | 0.18 | 2.84 | 1700 | 510 | 0.60 |
| Hi-clearance sprayer | 100000 | 14.0 | 14000 | 200 | 70.00 | 65 | 130 | 0.15 | 10.71 | 2500 | 1625 | 1.91 |
| Picker | 300000 | 14.0 | 42000 | 225 | 186.67 | 100 | 225 | 0.26 | 49.41 | 9000 | 9000 | 10.59 |
| Totals | | | 95120 | | | | | | 84.60 | 19700 | 14985 | 17.63 |

| Fuel Cost Per Gallon | | 2.50 | | | | | | | | | | | | |
|----------------------------------|------------|---------|----------|----------------------|------|----------|-----------------------|--------------|-------------------------|-------------|-------------|---------------|--------|--------------|
| Job or Implement- Size | Total Farm | | | Fixed Costs Per Year | | | Fixed Costs This Crop | | Repairs and Maintenance | | | Fuel and Lube | | |
| | Acres/Yr* | HP Used | Acres/Hr | New Price | % FC | Total FC | % Use | FC/Acre | Est RM | This Crop | Per Acre | Hrs/Ac | Gal/Hr | Cost/Ac |
| Disk- 30ft | 3400 | 200 | 17.0 | 38000 | 12.5 | 4750 | 50 | 2.79 | 950 | 475 | 0.56 | 0.059 | 8.8 | 1.49 |
| Disk- 30ft w/ PPI herb | 3400 | 200 | 16.0 | 43000 | 12.5 | 5375 | 50 | 3.16 | 1100 | 550 | 0.65 | 0.063 | 8.8 | 1.58 |
| Rip and bed- 8-row | 1700 | 200 | 11.5 | 29000 | 12.5 | 3625 | 50 | 2.13 | 725 | 363 | 0.43 | 0.087 | 8.8 | 2.20 |
| Plant- 8 row w/in-furrow and PRE | 1700 | 165 | 10.0 | 32000 | 12.5 | 4000 | 50 | 2.35 | 800 | 400 | 0.47 | 0.100 | 7.3 | 2.09 |
| Spray 60 ft POST OTT | 7000 | 115 | 35.0 | | | 0 | | 0.00 | | 0 | 0.00 | 0.029 | 5.1 | 0.42 |
| Spray 60 ft- pgr | 7000 | 115 | 35.0 | | | 0 | | 0.00 | | 0 | 0.00 | 0.029 | 5.1 | 0.42 |
| Spray- POST Directed 8 row | 1000 | 165 | 11.0 | 12000 | 12.5 | 1500 | 85 | 1.50 | 300 | 255 | 0.30 | 0.091 | 7.3 | 1.90 |
| Nitrogen side dress | 1200 | 165 | 11.5 | 18000 | 12.5 | 2250 | 70 | 1.85 | 450 | 315 | 0.37 | 0.087 | 7.3 | 1.82 |
| Spray 60 ft- insecticide/pgr | 7000 | 115 | 35.0 | | | 0 | | 0.00 | | 0 | 0.00 | 0.029 | 5.1 | 0.42 |
| Spray 60 ft- insecticide | 7000 | 115 | 35.0 | | | 0 | | 0.00 | | 0 | 0.00 | 0.029 | 5.1 | 0.42 |
| Spray 60 ft- defoliate | 7000 | 115 | 35.0 | | | 0 | | 0.00 | | 0 | 0.00 | 0.029 | 5.1 | 0.42 |
| | | | | | | 0 | | 0.00 | | 0 | 0.00 | | 0.0 | |
| | | | | | | 0 | | 0.00 | | 0 | 0.00 | | 0.0 | |
| Picker- 4 row | 850 | 300 | 3.75 | | | 0 | | 0.00 | | 0 | 0.00 | 0.267 | 13.2 | 10.12 |
| Boil Buggy | 850 | 165 | 5.62 | 25000 | 12.5 | 3125 | 100 | 3.68 | 650 | 650 | 0.76 | 0.178 | 7.3 | 3.71 |
| Module Builder | 850 | 100 | 5.62 | | | 0 | | 0.00 | | 0 | 0.00 | 0.178 | 4.4 | 2.25 |
| Mow/shred stalks- 20 ft | 1200 | 165 | 15.0 | 22000 | 12.5 | 2750 | 70 | 2.26 | 500 | 350 | 0.41 | 0.067 | 7.3 | 1.39 |
| | | | | | | 0 | | 0.00 | | 0 | 0.00 | | 0.0 | |
| Totals | | | | | | | | 19.74 | 5475 | 3358 | 3.95 | 1.32 | | 30.62 |

* All acres for the implement including multiple trips over the field. Disking 800 acres 2 times would be 1,600 acres total. Spraying 900 acres 5 times would be 4,500 acres.

Developed by Don Shurley and Amanda Smith, Department of Agricultural and Applied Economics, University of Georgia.

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